

§ 206.209

loan application, (3) amounts to pay the charge are set aside as a portion of the principal limit, and (4) the charge is payable only from the set aside.

[54 FR 24833, June 9, 1989, as amended at 60 FR 42762, Aug. 16, 1995]

§ 206.209 Prepayment.

(a) *No charge or penalty.* The mortgagor may prepay a mortgage in full or in part without charge or penalty at any time, regardless of any limitations on prepayment stated in a mortgage.

(b) *Insurance and condemnation proceeds.* If insurance or condemnation proceeds are paid to the mortgagee, the principal limit and the mortgage balance shall be reduced by the amount of the proceeds not applied to restoration or repair of the damaged property.

[61 FR 49034, Sept. 17, 1996]

§ 206.211 Annual determination of principal residence.

At least once during each calendar year, the mortgagee shall determine whether or not the property is the principal residence of at least one mortgagor. The mortgagee shall require each mortgagor to make an annual certification of his or her principal residence, and the mortgagee may rely on the certification unless it has information indicating that the certification may be false.

PART 207—MULTIFAMILY HOUSING MORTGAGE INSURANCE

Subpart A—Eligibility Requirements

Sec.

207.1 Eligibility requirements.

Subpart B—Contract Rights and Obligations

207.251 Definitions.

PREMIUMS

207.252 First, second and third premiums.

207.252a Premiums—operating loss loans.

207.252b Premiums—mortgages insured pursuant to section 223(f) of the Act.

207.252c Premiums—mortgages insured pursuant to Section 238(c) of the Act.

207.252d Mortgagee's late charge.

207.252e Method of payment of mortgage insurance premiums.

207.253 Termination by prepayment and voluntary termination.

24 CFR Ch. II (4–1–00 Edition)

207.253a Termination of insurance contract

RIGHTS AND DUTIES OF MORTGAGEE UNDER THE CONTRACT OF INSURANCE

207.255 Defaults.

207.256 Notice.

207.256a Reinstatement of defaulted mortgage.

207.256b Modification of mortgage terms.

207.257 Commissioner's right to require acceleration.

207.258 Insurance claim requirements.

207.258a Title requirements.

207.258b Partial payment of claim.

207.259 Insurance benefits.

207.259a Waiver of title objection; mortgages formerly Commissioner-held.

207.260 Maintenance and inspection of property.

RIGHTS IN HOUSING FUND

207.263 Responsibility for servicing.

AMENDMENTS

207.499 Effect of amendments.

AUTHORITY: 12 U.S.C. 1701z–11(e), 1713, and 1715b; 42 U.S.C. 3535(d).

SOURCE: 36 FR 24537, Dec. 22, 1971, unless otherwise noted.

Subpart A—Eligibility Requirements

§ 207.1 Eligibility requirements.

The eligibility requirements set forth in 24 CFR part 200, subpart A, apply to multifamily project mortgages insured under section 207 of the National Housing Act (12 U.S.C. 1713), as amended.

[61 FR 14405, Apr. 1, 1996]

Subpart B—Contract Rights and Obligations

§ 207.251 Definitions.

As used in this subpart:

(a) The term *Commissioner* means the Federal Housing Commissioner.

(b) The term *act* means the National Housing Act, as amended.

(c) The term *mortgage* means such a first lien upon real estate and other property as is commonly given to secure advances on, or the unpaid purchase price of, real estate under the laws of the State, district or territory in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby. In any instance where an operating